

AMENDED IN ASSEMBLY APRIL 26, 2011

AMENDED IN ASSEMBLY MARCH 31, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1214

Introduced by Assembly Member Skinner

February 18, 2011

An act to add Section 1103 to the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 1214, as amended, Skinner. Electrical transmission.

Under existing law, the Public Utilities Commission (CPUC) has regulatory authority over public utilities, including electrical corporations, as defined. The Public Utilities Act prohibits any electrical corporation from beginning the construction of, among other things, a line, plant, or system, or of any extension thereof, without having first obtained from the CPUC a certificate that the present or future public convenience and necessity require or will require that construction (certificate of public convenience and necessity).

This bill would, ~~when~~ *require* the Independent System Operator (ISO) ~~determines that building or upgrading of electrical transmission is necessary and that determination has been approved by the Federal Energy Regulatory Commission, require the commission to find that the construction or extension is necessary for the present or future public convenience and necessity absent a showing of good cause based upon newly developed information that was not available at the time of the determination by the ISO. The bill would require that a transmission project sponsor be given the option of filing a single application for a~~

~~certificate of public convenience and necessity with respect to a transmission plan or generator interconnection agreement that has multiple stages if the project is for the purpose of achieving the renewables portfolio standard, as specified and the CPUC to jointly evaluate all electrical transmission facilities that have been identified in the ISO transmission process that serve solar development areas. The bill would require the CPUC and ISO, by March 31, 2012, to publish a report identifying new and upgraded electrical transmission facilities that serve solar development areas that can potentially be placed in service by December 31, 2016, including an analysis of any barriers to permitting, construction, or placement into service of each facility by December 31, 2016, and the means to eliminate or minimize the effects of those barriers. The bill would require the CPUC and the ISO to coordinate the ISO's transmission planning process and identification of needed transmission facilities with the CPUC's issuance of certificates of public convenience and necessity for transmission facilities.~~

Existing law provides that an application by an electrical corporation for a certificate of public convenience and necessity for new transmission facilities is necessary to the provision of electric service if the CPUC finds that the new transmission facility is necessary to facilitate achievement of the procurement requirements of the California renewables portfolio standard program (RPS program).

This bill would, if the ISO determines that the building or upgrading of electrical transmission facilities is necessary, and if the CPUC determines that those transmission facilities will serve at least 200 megawatts of eligible renewable energy resources, as defined, for which the CPUC has approved a purchase agreement pursuant to the RPS program and that the facilities would assist in achievement of resource adequacy requirements, as defined, that absent a showing of good cause based either upon information provided by the CPUC to the ISO prior to its determination or upon newly developed information that was not available at the time the ISO made its determination, require that the CPUC find that the construction or extension of certain transmission facilities is necessary to facilitate achievement of the procurement requirements of the RPS program if specified conditions are met.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 1103 is added to the Public Utilities Code, to read:

~~1103. (a) When the Independent System Operator (ISO) has determined that the building or upgrading of electrical transmission is necessary, and that determination has been approved by the Federal Energy Regulatory Commission (FERC), absent a showing of good cause based upon newly developed information that was not available at the time of the determination by the ISO, the commission shall find that the construction or extension is necessary for the present or future public convenience and necessity pursuant to this chapter. The commission shall find that the construction or extension is necessary for purposes of Section 399.2.5 if the commission finds that the construction or extension is for the purpose of achieving the renewables portfolio standard established pursuant to Article 16 (commencing with Section 399.11) of Chapter 2.3, or adopted by a local publicly owned electric utility pursuant to Section 387.~~

~~(b) With respect to a transmission plan or generator interconnection agreement that is for the purpose of achieving the renewables portfolio standard, that has multiple stages, and that been approved by the FERC, a project sponsor shall have the option of filing a single application for a certificate of public convenience and necessity.~~

1103. (a) (1) In order to maximize benefits to the state of the federal investment tax credit, the Independent System Operator (ISO) and the commission shall jointly evaluate all electrical transmission facilities, including new facilities or upgrades of existing facilities, that have been identified in the ISO transmission planning process as being facilities that serve solar development areas, as indicated by interconnection requests by solar facility project developers.

(2) By March 31, 2012, the ISO and the commission shall publish a report identifying new and upgraded electrical transmission facilities that serve solar development areas that can potentially be placed in service by December 31, 2016. The commission shall consult with transmission project developers in identifying the new and upgraded electrical transmission facilities that serve solar development areas. The report shall include a time

1 *frame for obtaining all governmental approvals for, construction*
2 *of, and placement into service of, each transmission project. The*
3 *report shall include an analysis of any barriers to permitting,*
4 *construction, or placement into service of each transmission facility*
5 *by December 31, 2016, and the means to eliminate or minimize*
6 *the effects of those barriers.*

7 *(b) If the ISO determines that the building or upgrading of*
8 *electrical transmission facilities is necessary, and the commission*
9 *determines that those transmission facilities will serve at least 200*
10 *megawatts of eligible renewable energy resources for which the*
11 *commission has approved a purchase agreement pursuant to*
12 *Article 16 (commencing with Section 399.11) of Chapter 2.3 and*
13 *additionally determines that those facilities assist in achievement*
14 *of resource adequacy requirements, absent a showing of good*
15 *cause based either upon information provided by the commission*
16 *to the ISO prior to its determination or upon newly developed*
17 *information that was not available at the time the ISO made its*
18 *determination, the commission shall find that the construction or*
19 *extension is necessary for purposes of Section 399.2.5. For*
20 *purposes of this subdivision, “resource adequacy requirements”*
21 *means the resource adequacy requirements established for*
22 *load-serving entities pursuant to Section 380 or for local publicly*
23 *owned electric utilities pursuant to Section 9620.*

24 *(c) (1) The commission and the ISO shall coordinate the ISO’s*
25 *transmission planning process and identification of needed*
26 *transmission facilities with the commission’s issuance of*
27 *certificates for transmission facilities pursuant to this chapter.*

28 *(2) The commission and the ISO shall evaluate alternatives for*
29 *building or upgrading transmission facilities that may enhance*
30 *achievement of the objectives of the California renewables portfolio*
31 *standard program (Article 16 (commencing with Section 399.11)*
32 *of Chapter 2.3) and the California Global Warming Solutions Act*
33 *of 2006 (Division 25.5 (commencing with Section 38500) of the*
34 *Health and Safety Code).*

35 *(3) The ISO shall provide the commission with a formal*
36 *assessment of the new or upgraded transmission facilities needed*
37 *within its balancing authority area for each alternative identified*
38 *pursuant to paragraph (2).*

39 *(4) The commission shall give substantial weight to applications*
40 *for certificates for transmission facilities that are consistent with*

- 1 *the ISO's final approved transmission plan if the plan considers*
- 2 *the alternatives identified pursuant to paragraph (2).*

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